

Sonny Perdue GOVERNOR

March 5, 2009

Dear Mr. Deal,

I very much appreciated the opportunity to visit with the Congressional delegation and share the latest information on the importance of the Savannah Harbor Expansion Project (SHEP). As discussed in the presentation, the expansion is a catalyst for economic growth and job creation in every one of Georgia's Congressional Districts.

Savannah is the fastest growing container port in the nation and the second largest on the East Coast. The result is that our deepwater ports support more than 286,000 jobs in Georgia, as well as \$14.9 billion in income, \$55.8 billion in revenue, and some \$3.5 billion in federal and \$1.6 billion in state tax revenues every year.

However, if we cannot deepen our 42 foot channel in Savannah to 48 feet, our state will be unable to accommodate the new ships that will dominate ocean commerce when the Panama Canal deepening is completed in 2014. This will erode Georgia's ability to sustain the businesses and industry that depend on our ports today, and will cripple our ability to expand job growth in the future.

This project is so important that Georgia has advanced \$30 million in recent years to pay for the required environmental and benefit-cost studies. I also have asked the General Assembly to approve an additional \$36 million this year to provide our state's share of federal matching funds for the initial construction phase of SHEP.

To move this project forward, I ask that you consider the following actions: 1) request a federal appropriation or stimulus funding of \$1.3 million in FY 2010 to complete the General Investigation studies mandated by federal law, and 2) request a federal appropriation of \$33.7 million to initiate SHEP construction, conditioned upon the completion of the General Investigation studies and approval of the project by the relevant federal and state environmental resource agencies.

I recognize that this is a very challenging year in terms of fiscal priorities, both in Congress and in our own state. But I want to emphasize that SHEP is a priority for our state as a whole because it will provide new and expanded job opportunities throughout Georgia. It is also a project that is authorized by Congress, has been supported by both Democrat and Republican governors and legislators over the years, and has been included in the General Investigation budget requests of Democrat and Republican Presidents. It is now at a critical juncture for action as it is prepared for construction.

Thank you for your consideration, and I look forward to working with you and your colleagues to help bolster the economy of our state and provide jobs and new opportunities for our citizens.

Sincerely.

Jonny Gerdul